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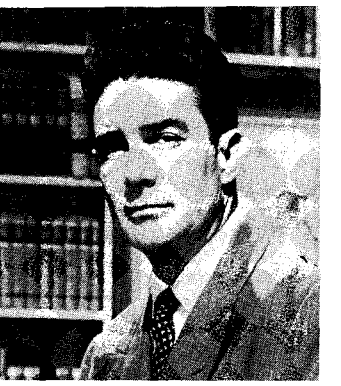

DAN SMOOT

PREPARATION FOR THE PANAMA GIVEAWAY

On October 7, 1966, the foreign minister of Panama said that talks with U. S. negotiators are well on the way toward an agreement to abrogate the treaty of 1903.[1]

The importance of that statement is incalculable. President Johnson — sacrificing American lives in Vietnam under pretext of fighting communism and protecting American security interests — is preparing to surrender vital American interests to Panama, in compliance with demands which communists have been making for years.[2]

The Panama Canal Zone is United States territory as clearly and completely as the city of Washington is. President Johnson has no more right to grant Panama sovereignty over our Canal Zone than to cede the State of Alaska to the Soviet Union.[2]

The current talks which are "well on the way" toward our final surrender in Panama have been going on since April, 1964. Piecemeal surrender, for the purpose of appeasing communists and other agitators, has been going on since the days of Franklin D. Roosevelt.

It is a twice-told tale which needs to be told again.

Prior to 1903, the Isthmus of Panama was a province of Colombia. The revolution which separated Panama from Colombia was promoted by a New York lawyer and five ambitious men in Panama, three of whom were United States citizens. This group, backed by the United States government, created the nation of Panama in 1903.[2]

At that time, Panama (a land of chronic political instability, owned by a few wealthy families) was the pesthole of the world. Virulent tropical diseases had to be conquered before we could wrench worthless land from the voracious jaws of a steaming jungle and convert it into a mighty waterway to lift ships over the bedrock of the continental divide. Many American lives and millions of American tax dollars went into that dual miracle of sanitation and engineering.[2]

The Republic of Panama was not a partner in the Panama Canal enterprise: she was the principal beneficiary.

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In our 1903 treaty with the new Republic of Panama, we *bought* the Panama Canal Zone — a ten-mile-wide strip across the Isthmus, from the Atlantic to the Pacific — for 10 million dollars plus an annuity. The annuity was not a *lease* or *rental* fee: it was a guarantee of revenue to keep the Panama government alive. We acquired full ownership and sovereignty, by grant in perpetuity, making the Canal Zone United States territory forever.[2]

When Roosevelt extended diplomatic recognition to the Soviet Union in 1933, he gave a boost to communist activity throughout the world. Most Latin American nations followed Roosevelt's lead in recognizing the lawless Kremlin gang as a lawful government. Communist agitators who had been operating illegally, came out in the open with their "yankee imperialism" propaganda; and many became successful politicians.

The ground swell of anti-United States propaganda, which developed south of the border after our recognition of the Soviet Union, was one reason for F.D.R.'s "good neighbor" policy in Latin America. F.D.R. presented his "good neighbor" policy in a way which implied that the United States had formerly been a bad neighbor. This encouraged more anti-United States activity until everyone, north and south, was ready for us to "make amends" for past behavior.

The most important consequence was a renegotiation of our treaty agreements with Panama. In the Hull-Alfaro Treaty (signed March 2, 1936, but not ratified by the U. S. Senate until July 25, 1939), the United States raised annuity payments to Panama from 250 thousand dollars to 430 thousand, to compensate for the 40% loss in purchasing power of the dollar which had resulted from Roosevelt's taking us off the gold standard in 1934. This concession was reasonable.[2]

In the 1936-39 treaty, we renounced the 1903 treaty provision which made Panama a protectorate of the United States; and we renounced our right to maintain public order in Panama, outside of the Canal Zone. These concessions were incongruous, because we must protect Panama from anarchy as long as we maintain and defend the Canal. Now we have the responsibility without clear treaty authority.[2]

The most harmful concessions Roosevelt made in the treaty of 1936-39 were: (1) renunciation of our right of eminent domain for the acquisition of property, in Colon and Panama City, needed for canal purposes; and (2) renunciation of our right to build defense bases in Panama outside the ten-mile Canal Zone. Roosevelt's treaty of 1936-39 left us with the responsibility of defending the Canal Zone — for ourselves, Panama, and every other maritime nation — but with no room to stand and fight. In less than two months after the treaty was ratified in 1939, World War II began in Europe; and we were begging Panama for defense sites to protect the Canal. We had to pay heavily for 134 base-sites which had been ours under the 1903 treaty provisions.[2]

Before the guns of World War II were silent, Panama was demanding evacuation of American bases, and more changes in U.S.-Panama treaties. President Truman evacuated most of the bases and *gave* them to Panama. President Eisenhower, his first year in office, sent a team to change the treaties.[2]

The result was the Eisenhower-Remon Treaty of 1955, in which the United States: (1) increased annuity payments from $430 thousand to $1.93 million; (2) gave Panama land and other properties — including the Panama Railroad Company's yards and terminal stations in the cities of Colon and Panama; (3) promised to build a $27 million bridge across the Canal on the Pacific side. The only thing Panama gave us in the 1955 treaty was the right to use, for 15 years, the Rio Hato Air Base — which we had built for World War II and had given to Panama in 1948.[2]

The American property which Eisenhower gave Panama (valued at about $20 million) quickly deteriorated into uselessness.[3] Before 1955, the United States, in order to enforce sanitation rules necessary to public health in Panama, collected garbage in the cities of Colon and Panama. Panamanians considered this service an affront to their

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national dignity. We permitted them to collect their own garbage — and Colon and Panama became filthy places, their streets littered with refuse.

As soon as the 1955 treaty was ratified, Panama started agitating for more concessions — specifically for recognition of Panama sovereignty in the Canal Zone and for 50% of *gross* revenue from the Canal. Gross revenue from the Canal is about $43 million a year; net revenue is less than $3 million. Panama — with no investment, or responsibility for operating, maintaining, defending the Canal — gets, in annuity alone, more than half of net revenues. Corollary benefits of Canal operations are the very life blood of Panama's economy.

In May, 1958, mobs of Panama "students," incited and led by communists, demonstrated for "Panama sovereignty in the Canal Zone" by invading the U.S. Zone and planting 70 Panama flags. U.S. authorities removed the flags and gave them to the Panama government. Riots in Panama ensued, and lasted some 3 weeks. Our State Department tried to appease Panamanians by announcing that Dr. Milton Eisenhower would soon visit Panama on a "good-will" trip.[2]

On November 3, 1959, Panama mobs again demonstrated for Panama sovereignty by invading our Canal Zone to plant the Panama flag. They also pulled down the American flag at the U.S. Embassy in Panama, mutilated it, and hoisted the Panama flag. During the day, 82 people were injured. Some of the injured were American soldiers who had been pelted with rocks. The mobs were led by communists and prominent Panama politicians who apparently had the sanction of the Panama government, which had ordered Panama police to stay away from the scenes of violence.[2]

Our State Department tried to appease Panamanians by ordering U.S. Embassy personnel in Panama to "curtail" the flying of the American flag in front of our Embassy. Eisenhower tried to appease them by announcing that Panama does have "titular sovereignty" over the Canal Zone.[3]

Congress reacted angrily to Eisenhower's announcement. On February 2, 1960, the House passed a Resolution (382 to 12) which, in essence, said that we should not permit the flag of Panama to be flown in our Canal Zone. On February 9, 1960, the House, in an amendment to an appropriations bill, prohibited the expenditure of tax money for any flagpole to fly Panama's flag in our Zone. On September 17, 1960, (after Congress had adjourned) Eisenhower, defying Congress, ordered the flag of Panama to be flown at key places in the U.S. Canal Zone to demonstrate Panama's "titular sovereignty" over the whole Zone.

On October 25, 1960, Senator John F. Kennedy expressed approval of Eisenhower's action, but said it should have been taken 18 months earlier.[2]

On June 15, 1962, President Kennedy and President Chiari of Panama signed a secret memorandum agreeing to renegotiate the 1903 treaty.[4]

On October 12, 1962, the Thatcher Ferry Bridge at Balboa (which the U.S. had promised in the 1955 treaty) was dedicated. During the ceremonies, a riot erupted, and a Panama mob desecrated the American flag.[2]

On October 29, 1962, President Kennedy ordered the raising of the Panama flag at the American Canal Zone Administration Building.[2]

On January 10, 1963, the State Department announced that the United States had agreed: (1) to permit the Panama flag to be flown with the U.S. flag anywhere in the Canal Zone; (2) to recognize Panama's sovereign right to issue papers of authorization (exequaturs) to foreign consuls operating in the Canal Zone; (3) to use Panama postage in the Canal Zone; (4) to grant Panamanians in the Canal Zone opportunities and privileges equal to those of U.S. citizens, including U.S. Social Security benefits.[2]

On July 23, 1963, the State Department announced another agreement conferring more benefits and concessions on Panamanians employed in the Canal Zone. On October 29, 1963, the Panama government announced official arrangements for Panama Independence Day parades, *inside the Canal Zone*. On November 5, 1963, the City

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Council of Panama held an official Council meeting *on the steps of the United States District Court House in the Canal Zone.*[2]

In December, 1963, the American Canal Zone Governor (Robert J. Fleming, Jr.) ordered that the U.S. flag could no longer be flown at the U.S. Court House or at American schools in the Canal Zone. Americans were even ordered not to fly the American flag at the Gamboa War Memorial inside the Canal Zone — a memorial to American soldiers who died in World War II.[2]

On January 7, 1964, American students raised the American flag at the American Balboa High School in the American Zone. The principal and a Canal Zone official took the flag down. The students raised another flag, and gave the pledge of allegiance. Officials announced that the flagpole would be removed. Students kept raising the American flag each morning, taking it down at night, and keeping vigil over the flagpole to prevent its removal.[2]

On January 9, 1964, mobs of Panamanians rioted to protest the flying of the American flag at Balboa High School. The riots spread throughout Panama and the American Canal Zone. When they ended on January 13, an immense amount of American property had been destroyed or damaged. Twenty-one people were dead (including 4 American soldiers), and 300 injured.[2]

Present negotiations, already "well on the way" toward total surrender of American sovereignty in the Canal Zone, were initiated by President Johnson as a result of the 1964 riots.

NEXT WEEK: Details on President Johnson's efforts to win Panama's acceptance of our surrender.

Postscript to "Computers and Dictators"

On October 26, 1966, biological science professor Robert S. Morison of Cornell University, speaking at a symposium dealing with "controlled evolution," said:

"[The family] . . . is relatively poor at assimilating and transmitting new knowledge essential to survival in a rapidly moving world. . . .

"Increasing knowledge of the plasticity of the human nervous system in early life will encourage further invasion of the home in the name of ensuring equality of opportunity. . . . It is idle to talk of a society of equal opportunity as long as that society abandons its newcomers solely to their families for their most impressionable years."[5]

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FOOTNOTES

(1) "New Canal Treaty Said Well Along," by Sam Pope Brewer, *The Dallas Morning News*, October 8, 1966, p. A3

(2) "Panama—Part I," and "Panama—Part II," *The Dan Smoot Report*, January 20 and 27, 1964, pp. 17-32 (1 copy for 25c, 6 for $1.00)

(3) "U.S. Giving Up Canal; Agrees to Scrap Panama Pact, Write New One," *Chicago Tribune*, September 25, 1965, pp. 1, 2

(4) "The Panama Canal—It Must Remain American," by Dr. Charles Callan Tansill (Committee on Pan-American Policy, 60 East 42nd Street, New York, New York 10017; price: 15c), 12 pp.

(5) "Biologists Peer Into Future, See Role of Family in Great Decline," by Peter Bart, *The Dallas Morning News*, October 27, 1966, p. A22

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